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Food Processing Ingredients Sector

Voluntary report

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Report Highlights:

Norway is a high-cost producer and is only 50 percent self-sufficient in agricultural products and the Norwegian food processing industries need to source a number of ingredients from other countries. However, for products produced domestically, imports face high tariffs, as the Norwegian Government strives to assure that domestic crops are used before any products can be imported at competitive prices.

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Table of Contents

SECTION I: Market Summary	3
Advantages and Challenges Facing U.S. Products.....	3
SECTION II: Road map for market entry	4
A. Entry Strategy.....	4
Market Access.....	4
Tariffs.....	4
Raw material price compensation to meet import competition on various processed food (R?K).	4
Sanitary and Phytosanitary Measures	5
B. Market structure.....	5
Meat consumption and processing.....	5
Dairy products.	6
The Milling Industry and Bakery Products Market	6
The Beverage Market (excluding wine and liquor)	7
Wine and Liquor	7
Fruit Juice and Jam Market	8
Fish Processing Industry	8
FISH,CRUSTACEANS,MOLLUSC - 03	8
The Candy, Chocolate, Snacks Market.....	9
C. Company Profile of the Main companies operating in the Food Processing Industry – Norway.....	9
D. Sector Trends.....	11
Section III. Competition	11
SECTION IV: Best U.S. products prospects for the Norwegian processing industry.	11
Key contacts and further information.....	12
Statistic Norway.....	12
Norwegian Customs and Excise.....	13
American Embassy Oslo	13
Web: www.usemb.se.....	13
American Embassy Stockholm	13
TABLE A: Norwegian Imports of various products	14

SECTION I: Market Summary

The Norwegian food processing industry consists of less than 1,700 enterprises. The largest numbers of processors are in 5 main categories: fish, meat, dairy, beverages and processed fruits & vegetables. These categories account for about 60 percent of the total number of processors. Most operations are fairly small, with an average of 32 employees. This, coupled with high prices of domestically sourced inputs means that their power in the market is very limited and vulnerable to competition from imported products. The total number of employees in this sector is about 53,000, of which about 38,000 are employed by the five main categories mentioned.

The total turnover in the processing industry was about NOK 120 billion (U.S.\$16 billion) in 2002, about a 4 percent increase from previous year.

The domestic food processing industry in Norway is highly protected through quotas, tariffs and phytosanitary measures. Consequently, domestic manufacturers account for an 85 percent share of the processed food market in Norway.

Norway continues to ban meat from livestock raised with growth promotants, and U.S. poultry is precluded from entering the market due to Norwegian sanitary regulations. Additionally, soybeans, corn and processed products that are products of or contain ingredients of products of genetic engineering, face stiff regulations that effectively keep them out of the market. No GM food products have yet been approved for import to Norway. Norway provides preferential tariffs and special quotas to EU countries through the European Economic Area agreement (EEA).

Norway imports about 50 percent of its need for agricultural products, which means that the overall domestic input to the consumer market is about the same value as the imported needs. However, while the domestic market mainly covers the need for meat, dairy, egg, grain and the domestic season for fruit and vegetable, the import include not domestically produced products such as cocoa, sugar, dried fruits and nuts, tropical fruit and vegetable, wine and spices. In 2002, the agricultural imports totaled U.S. \$2.6 billion, of which about 5 percent was sourced from the U.S. Norway is the third largest exporter of fish and seafood in the world, and to keep the Norwegian processing industry running, imports of raw fish are needed. In 2002, Norway imported U.S. \$435 million worth of fish products from all sources, mostly for use in processing and packing industry. Total imports of fish from U.S. in 2002 amounted to U.S. \$29 million.

Advantages and Challenges Facing U.S. Products.

Advantages	Challenges
U.S. is considered to be a reliable supplier of food ingredients.	Norway has preferential agreements with a number of countries, among them the EU, while U.S. exporters have to pay maximum tariffs on most products.
Norway is a good market for high quality products from the U.S. and opportunities exist for most products and ingredients not produced domestically.	Genetically modified products and ingredients have, in practical terms, no access to the Norwegian market.
U.S. products have no difficulties meeting Norwegian quality standards, and might, therefore, have a preference even if the price is higher than competitor countries.	Logistically, the U.S. has a disadvantage vis-à-vis closer European suppliers.

SECTION II: Road map for market entry

A. Entry Strategy

- Conduct early market research to assess product potential.
- Find an agent, importer, wholesaler or a domestic industry partner to assist with information on import duties, phytosanitary regulations, labeling requirements and competition.
- Find out if the product or ingredient is produced in the country. For certain products there might also be seasonal openings for import.
- Discuss market strategies and delivery capacity with the importer.
- Ensure the reliability of supply.
- Build relationships with the processing industry and the importer by making a personal visit.

Market Access.

Tariffs

While Norway has its own tariff system, preferential tariff rates are granted to the EU and other EEA members on a number of products. All exporters to Norway, however, face high tariffs on products produced in the country. These tariffs are often several hundred percent. Domestic agricultural product shortages and price surges have been countered by temporary tariff reductions. Lack of predictability of tariff adjustments and insufficient advance notifications can make imports from the United States, especially of perishable horticultural products, substantially more difficult and favor nearby European suppliers. For a number of processed food products, tariffs are applied based on their ingredients, and the Norwegian importer must provide a detailed disclosure of product contents. Concern for safeguarding recipes tends to discourage exporters of processed food products from entering the Norwegian market and encourages local manufacture.

Raw material price compensation to meet import competition on various processed food (R?K).

Norway is in general strongly protected against imports by high import tariffs. The situation is more complex for certain processed goods. Norway has a special agreement with the EU within the EFTA agreement. This mean that EU processed food products have a preferential duty on a number of processed food products. Although the EEA agreement does not include agricultural products, the R?K system is meant to increase trade in processed food. The last agreement was made in July 2003 and includes a number of processed food products in the following categories: bread and baked goods, breakfast cereals, chocolate and sweets, ice cream, pasta, pizza, soups and sauces. According to NILF the annual turnover in the R?K sector in Norway is about NOK 26.4 billion (US\$ 3.73 billion) including the beverage industry. In 2002 the import on R?K products in the above categories amounted to NOK 3.9 billion (US\$ 0.55 billion). The R?K scheme disadvantages U.S. exporters in the Norwegian market for these processed foods.

Norway also has a price reduction scheme including subsidies for the use of certain domestically produced raw materials in the production of processed foods. Products for which such subsidies are paid include chocolate, sweets and ice cream (for the raw materials milk and glucose), as well as pizza (for the raw materials cheese and meat). This is meant to somewhat compensate the domestic industry for high domestic raw material costs. In 2002, the value of this compensation was about NOK 120 million (US\$ 17 million).

Sanitary and Phytosanitary Measures

On April 19, 1996, the Norwegian Ministry of Agriculture issued a regulation banning the import of meat from animals raised with growth hormones. The government implemented the ban to be consistent with Swedish import regulations and as one of numerous EU harmonization measures under the EEA agreement.

According to Norwegian regulations, imports of GMOs can be prohibited based on a number of criteria. Although Norway has, as part of its EEA agreement with EFTA countries and the EU, implemented Directive 90/220 (EEC on the deliberate release into the environment of genetically modified organisms) its legislation is still more restrictive than the EU's in that it contains unspecified criteria related to ethical issues, sustainable development and social justification. As a result, fourteen GMO products approved for use in the EU have been rejected by Norway. To date, only four GMO products have been approved for import into Norway (one tobacco plant and 3 types of carnations). Although Norway's guidelines with regard to GMO approval have been mainly based on those of the EU, Norway is constantly broadening its analysis of possible unintended effects. Products containing genetically modified ingredients must be labeled whenever more than 2% of any ingredient contained in the product is genetically modified. Norway has not adopted the new EU rules with regard to traceability and labeling.

Beginning January 1, 1999, Norway adopted the rules and regulations of the EU in addition to its requirements related to the import of food products. As a result, imported animal products for food use must come from an EU-approved plant and be accompanied by the necessary certificates. The importer in Norway must be registered and must notify the authorities 24 hours in advance (for animals 30 days) of the arrival of any shipment. With the exception of fish products, shipments must enter through either Oslo harbor or Oslo airport. For fish products, however, twenty entrance locations exist.

B. Market structure.

Although Norway is only 50 percent self-sufficient in agricultural products, it has built up a system that assures that domestic producers (farmers and industry) have little competition until all domestic production has been used. The domestic market is highly protected by high tariffs on products produced in the country. It is important to note that products delivered to the processing industry have various market channels depending on which product is being considered. For livestock products, the Norwegian agricultural cooperatives own and operate the most important processing plants, for horticultural products it is a small number in the private sector, and for the grain sector the farmer coop Felleskjøpet take care of all domestic supplies and set the figure for how much of grain it is necessary to import based on overall domestic consumption. The import quantity of grain need is then traded on the domestic auction done by the Ministry of Agriculture through the Norwegian Agricultural Authority three times a year (August, November and May). This state body also handles the auction system for all trade related to quotas under WTO-, GSP- and EU-imports.

Meat consumption and processing

The consumption of meat in Norway increased from 261,000 metric tons in 2002 to 273,000 metric tons in 2003. Norway is self-sufficient in meat, however, from time to time there are domestic shortages in certain varieties of meat. In 2003 it is expected that Norway will import about 7,500 metric tons of meat. Today meat consumption is about 61 kilos per capita a year (beef 21 kilos, pork 23 kilos, mutton/lamb 5 kilos, poultry 9 kilos and other 3 kilos).

The Norwegian meat cooperative Norsk Kjøttssamvirke completely dominates the meat market with a market share of 75 percent. Incorporating about 30,000 meat producing farmers, it has slaughter plants and meat processing plants all over Norway. Norsk Kjøttssamvirke markets its products under the brand name GILDE. It also regulates the Norwegian meat market on behalf of the government. The remaining 25 percent of the meat market is serviced by various private companies. The four largest are Stabburet AS (Orkla group), SPIS Norge AS and Grillstad Fabrikker AS.

Dairy products.

The dairy sector is almost totally dominated by domestically produced products, which together account for 98 percent of the market. These domestic producers have agreements with 20,000 milk producing farmers. The cooperative company, TINE Norwegian Dairies, is the mother company of 10 independent dairies located throughout Norway. Tine is also responsible for regulating the administrative side of the dairy sector in Norway. The overall production of milk in Norway was about 1,500 million liters in 2002, of which about 550 million liters was consumed as milk or cream, and the rest was used for production, for butter (about 10,000 metric tons) and cheese (about 90,000 metric tons). Norway is self-sufficient in these products and protects its market through high tariffs. While the market rights appear to be dominated by one company, there are two privately owned dairies producing milk and yoghurt (Gausdalmeieriet and Jaeren Meieriet) and two private companies producing cheeses (Synnøve Finden Meierier and Kavli).

Norway exports cheese but has also a small import demand. Norway exports about 18,000 metric tons of cheese, mostly to the U.S. (about 7,500 metric tons) and Japan (about 6,500 metric tons). Norway's import of cheese, are regulated by high tariffs and quotas that are mainly set based on historical data. Of the total current quota of 4,500 metric tons, 98 percent is imported from the EU. There are about 50 Norwegian companies importing cheese, with the main quantities traded by the largest retail groups (REMA, Norgesgruppen, Haakon Gruppen and Coop Norge) as well as the two domestic cheese producers Tine Norske Meierier and Synnøve Finden. In addition, the specialty importer, Oluf Lorentzen A/S, has historical large quotas.

The Milling Industry and Bakery Products Market

Norway, in general, is self-sufficient in grain, but from year to year the quality of wheat varies widely and is often not satisfactory for food consumption. The overall consumption of food wheat in Norway is stable at about 330,000 metric tons a year including durum. There are two large milling groups in that dominate the milling market in Norway, Norgesmøllene DA and Regal Mølle. Norgesmøllene DA is owned by the farmers coop, Felleskjøpet, and is also responsible for the administration of all domestic grain regulations in Norway. The large Swedish company Cerealia owns Regal Mølle. These two companies purchase about 100,000 metric tons of wheat a year from the world market to achieve satisfactory baking quality for their flour that is sold to the bakery industry and consumers.

Competition in the bakery industry is increasing. Norway has about 450 bakery goods companies, and the majority of these are smaller bakeries/companies. Since the 1990's there has been a steady trend of smaller companies merging with larger groups. According to the trade the total market for bakery products is about NOK 7 billion (U.S. \$1 billion) with imports accounting for about NOK 1 billion (U.S. \$140 million). The proportion of imports has steadily increased every year. Imports are mainly from EU countries, especially Denmark, Sweden and France, which account for more than 80 percent of imports. This is mainly due to the preferential duties afforded EU products under the EEA agreement. Today Norway imports more than 20,000 metric tons of baked products annually of which bread

and "bake off" are the main products. The baked goods processing industry also imports dough for their production due to high domestic prices for flour.

The bakery product market is dominated by two large Nordic companies, which have interest in a number of smaller domestic companies. The Norwegian company ORKLA FOODS owns or has interest in the Norwegian companies Bakerhuset, Bakers, Idun and Bake Line, while the Swedish company CEREALIA has interest in Regal, Brynildsen, Skoga Bröd and Björken Skoga. Both these parent companies have good access to the largest retail grocery chains as well as the hotel and restaurant sector. Other independent companies that are engaged in this market are Pals AS, Jensen & Co and Marexim AS, and the Norwegian, Swedish/ Danish retail group, Coop Norden, which has its own bakery company GOMAN.

The Beverage Market (excluding wine and liquor)

The Norwegian Brewers and Soft Drink Producers divide the beverage market into three categories: beer, soft drinks, still water and carbonated water. Only a minor quantity of the beverages consumed in Norway is imported, but a number of products are produced under license including well-known international brands like Pepsi Cola, Coca Cola, Heineken and Carlsberg beer. The total consumption of these beverages is about 850 million liters per year, or about 200 liters per capita. In 2002, the total consumption of beer amounted to 235 million liters, soft drinks 530 million liters and bottled water 90 million liters. The corresponding figures of imported products in the above categories were 13 million liters of beer, 25 million liters of soft drinks and 1 million liters of bottled water. There are two main players in Norway in the beverage industry. The largest company, Ringnes AS, which has a 60 percent share of the beer market, 27 percent share of the soft drink market and 68 percent share of the bottled water market, is the bottling company for Pepsi Cola in Norway. The other company, Hansa Borg Bryggerier ASA, has about 26 percent of the overall market and is the bottling company for Coca Cola. In addition to these companies, there are a few local breweries around Norway that account for the remaining market, including Mack Brewery, Lerum Fabrikker and AASS Brewery.

Most of the distribution of beverages in Norway is direct to the retailer. About 75 percent of beverages are sold through grocery stores. Nineteen percent of soft drinks and bottled water are sold through kiosks and gas stations and six percent through HRI. Twenty five percent of beer is sold through HRI, as alcoholic beverages cannot be sold through kiosks and gas stations. In Norway beer is heavily taxed. The brewery receives about 24 percent, the grocery store 16 percent and the government 60 percent of the retail sales price for beer.

Wine and Liquor

In 2002, Norway sold about 58.9 million liters of alcoholic beverages through the state-owned monopoly, an increase of 9 percent from 2001. 88 percent of wine and 86 percent of liquor sold in Norway is sold through the 177 monopoly stores. The remainder is sold through hotels and restaurants. The main suppliers are France, Spain, Italy and Chile. The ratio between red wine sales and white wine sales is about 3:1 in Norway. Norway is also trending toward more bulk wine sales and wine-in-a box. In 2003 the ratio of wines sales in bottles to wine-in-a boxes is expected to be 52:48. Imports from the U.S. are only about 1.5 percent of Norway's total wine imports, but this could increase as the strong Norwegian currency has led to a very advantageous exchange rate since the beginning of 2002. Exporters to the Norwegian market should be aware that all wine and liquor imports have to be traded with approved importers, agents and distributors and that the overall duties and VAT are high: for liquor about 80 percent, wine about 65 percent and strong beer about 50 percent. The sale of wines accounts for about 80 percent of a total market valued at about NOK10 billion (US\$ 1.25 billion). The largest importers and agents are Arcus AS, Einar A.

Engelstad AS, Gunnar Amundsen AS, Ström AS and Viordia AS. Distributors are Vectura AS and VSD Logistics AS.

Fruit Juice and Jam Market

In Norway the processors of fruit juices are also the processors of jams, and like most commodities in Norway there are only a few companies who have sufficient production to supply the larger buyers in the market (retail groups and HRI groups). The processors in these industries make contracts with the farmers each year for all fruit and berries not going for fresh consumption. Based on this, they get quotas for importing fruit and berries from other countries only when domestic supplies are not sufficient enough. In 2002, the Norwegian processors imported about 65 percent of the fruit, berry and vegetable needed for production.

According to the trade, Norway consumes about 100 million liters of juices and about 30,000 tons of jams. Orange juice is by far the largest product and the main suppliers of juice concentrate are Brazil with about 9,000 metric tons and U.S. with about 8,000 metric tons. The four largest suppliers in the juice and jam market are Tine Meierier (FellesJuice AS), Lerum Fabrikker, Røra Fabrikker and Stabburet (Orkla).

Fish Processing Industry

The fish processing industry in Norway is geared toward export rather than the domestic market, as Norway is the third largest exporter of fish in the world market. During seasonal reductions in domestic catches, the seafood processing industry imports fish from foreign vessels or countries to keep their production lines running. Norway has about 480 processing plants around the country, including processing plants for freezing whole fresh fish. The number of workers employed in this industry is about 12,000. Of this, however, conventional production and the fishmeal and canning sectors accounts for only about 3,500 people. In 2002, Norway exported fish and seafood products worth of U.S.\$ 3.5 billion.

Norway's imports of fish and seafood amount to about US\$ 430 million per year. The majority of imports are for use by the fish farming industry or the processing industry for export products. There is, nevertheless, a market for "specialty products" like scallops, mussels, oysters, and live and frozen squid, which is intended for the retail and HRI trade. Norway's imports of prepared fish, tuna, caviar, herring, sardines, anchovies, shrimps and salmon, amount annually to about US\$ 50 million a year.

FISH, CRUSTACEANS, MOLLUSC - 03

Reporting Country: Norway	Import		
	2000	2001	2002
	Market Share Value	Market Share Value	Market Share Value
European Union-15	34%	39%	44%
Russian Federation	45%	38%	35%
United States	7%	8%	7%
ASEAN Region	1%	2%	2%
South Asia	0.57%	0.59%	1%
World	100%	100%	100%

Source: UN Trade

At present, 75 percent of seafood products are distributed through retail stores and specialty stores, while the remainder goes to the hotel, restaurant and institution (HRI) market. The retailers, specialty stores and HRI markets are supplied through direct distribution (54

percent) and through wholesalers (46 percent), and the volume is about 95,000 metric tons a year at a retail value of about U.S.\$ 650 million. There are a number of smaller suppliers to this market, the main companies are, Lerøy, Stabburet, Naustvik, Reinhartsen, Maritim Food and Delikat Fabrikker.

The Candy, Chocolate, Snacks Market

According to the trade, the total sweets and snacks market in Norway has a turnover of about NOK 8.5 billion (U.S.\$ 1.2 billion). The chocolate and candy market account for about 70 percent of this market. This market is totally dominated by a few processors, which are either Nordic owned or have connections to international manufacturers. The market leaders in chocolate and sweets are Nidar AS (Orkla Group), Freia Marabou (Kraft Foods Inc.), and Brynild (Ferrero Scandinavia AB). In snacks, the market leaders are Maarud (Kraft Foods) and Kims Norge AS (Orkla Group). Their market share in Norway is about 46 percent and 34 percent respectively. The main ingredients imported by these companies are sugar, cocoa, peanuts, corn chips, nuts and almonds, but also ingredients like spices and sauces. However, the main product used in the snack food processing industry is domestic produced potato. Only the potato products alone, account for 48 percent of the snack food product market in Norway. We can mention that out of the top ten snack products in Norway, number 1-3 are made from potatoes.

About 99 percent of the distribution of the above products goes through wholesalers, and according to the trade, about 70 percent of chocolate products, 65 percent of candy and 87 percent of snacks are sold through grocery stores, while the rest are sold through kiosks, gas stations and specialty stores.

C. Company Profile of the Main companies operating in the Food Processing Industry – Norway

Company	Type of company	Turnover	Location	End-use Channel	Procurment Channel
AASS Brewery AS	Brewery	US\$ 60 million	Norway	Retail&HRI	Importers/Direct
Arcus AS	Wine importer, liquor producer and bottling plant.	US\$ 90 million	Nordic	Retail&HRI	Importers/Direct
Bakerhuset AS (Orkla)	Bakery product processor	US\$ 140 million	Norway	Retail&HRI	Importers/Direct
Bakers AS (Orkla)	Bakery product processor	US\$ 155 million	Norway	Retail&HRI	Importers/Direct
Brynildsen AS	Bakery product importer and ingredient supplier	US\$ 7 million	Norway	Retail&HRI	Importers/Direct
Brynild Produksjon AS	Manufacturer and importer of sweets, and chocolate.	US\$ 120 million	Norway	Retail&HRI	Importers/Direct
FellesJuice AS (TINE)	Importer and packer of fruit juices	US\$ 2 million	Norway	Retail&HRI	Importers/Direct
Freia Marabou	Manufacturer and importer of chocolate products	See Kraft Food, Nordic	Nordic	Retail&HRI	Importers/Direct
Gilde Norge BA	Manufacturer of meat products	US\$ 1550 million	Norway	Retail&HRI	Importers/Direct
Grilstad Fabrikker AS	Manufacturer of meat products	US\$ 65 million	Norway	Retail&HRI	Importers/Direct
Goman-Bakeriet AS	Bakery products processor	US\$ 84 million	Norway	Retail&HRI	Importers/Direct

Hansa Borg Bryggerier ASA	Brewery	US\$ 170 million	Norway	Retail&HRI	Importers/Direct
Idun Industrier	Bakery ingredients	US\$ 53 million	Norway	Retail&HRI	Importers/Direct
Kraft Food Nordic	Producer of Chocolate, Snacks and cheese	US\$ 790 million	Nordic	Retail&HRI	Importers/Direct
Kims Norge AS (Orkla Foods)	Snack producer and importer	US\$ 38 million	Norway	Retail&HRI	Importers/Direct
Lerum Fabrikker AS	Juice and Jam manufacturer, and berry and juice importer	US\$ 40 million	Norway	Retail&HRI	Importers/Direct
Lerøy Seafood Group ASA	Seafood exporter and importer and packer of these products	US\$ 360 million	Nordic	Retail&HRI	Importers/Direct
Maarud (Kraft Food Norge AS)	Snack food and cheese manufacturer and importer.	See Kraft Food Nordic	Nordic	Retail&HRI	Importers/Direct
Nidar AS	Sweets and chocolate manufacturer and importer	US\$ 137 million	Norway	Retail&HRI	Importers/Direct
Minde Sjokolade AS	Chocolate manufacturer	US\$ 12 million	Norway	Retail&HRI	Importers/Direct
Norges Smøllene DA	Wheat importer and miller	US\$ 110	Norway	Retail&HRI	Importers/Direct
Orkla Foods AS	Largest manufacturer of grocery products to the Norwegian market	US\$ 1562 million	Nordic	Retail&HRI	Importers/Direct
Pals AS	Producer and importer of bakery products and ingredients	US\$ 34 million	Norway	Retail&HRI	Importers/Direct
Regal Mølle AS (Cerealia)	Importer of wheat and miller and producer of cereals	US\$ 136 million	Norway	Retail&HRI	Importers/Direct
Ringnes AS (Orkla)	Brewery	US\$ 388 million	Nordic	Retail&HRI	Importers/Direct
Röra Fabrikker AS	Manufacturer and importer of juices and jam	US\$ 23 million	Norway	Retail&HRI	Importers/Direct
Spis Norge AS	Meat processor and packer of meat products	US\$ 1668 million	Norway	Retail&HRI	Importers/Direct
Stabburet AS (Orkla)	Manufacturer of jam, juices and vegetable products	US\$ 384 million	Norway	Retail&HRI	Importers/Direct
Sunnøve Finden ASA	Manufacturer of cheese	US\$ 83 million	Norway	Retail&HRI	Importers/Direct
Tine BA	Manufacturer of cheese and various dairy products	US\$ 818 million	Norway	Retail&HRI	Importers/Direct
Unikorn AS	Importer of wheat to the milling industry.	US\$ 179 million	Norway	Retail&HRI	Importers/Direct

D. Sector Trends

As previously mentioned, the majority of agriculture products used in the food processing industry are coming from the domestic market (86 percent domestic and 14 percent imported). The consequence of this has been, that the main sectors of the food processing industry, (meat, dairy, grain) have been dominated by Norwegian companies. However, international players like Nestle, Unilever, Kraft Food, Coca-Cola, Pepsi Cola and Carlsberg Brewery have a strong position in the market through their Norwegian partners or by ownership.

The Norwegian food processing industry is facing new challenges due to international pressure for access to the Norwegian market, especially from neighboring EU countries. This is true for both intermediate and consumer oriented products. Each year Norway and the European Union are negotiating access for new products under the EEA agreement. Larger quotas or lower tariffs, as a result of the negotiations, means that the Norwegian processing industry will meet increased competition from large European producers.

Section III. Competition

The Norwegian import regime is one of the most protected markets in the world. This also means that the domestic market is the largest competitor as to ingredients for the processing industry. Today about 86 percent of the agricultural ingredients to the processing industry is coming from the domestic market, while only about 14 percent is imported. The European Union is the main supplier to the Norwegian market of agricultural ingredients. Below is a table showing the market shares of the main product lines in 2002.

The market share of a number of imported products categories in 2002.

Product categories:	Meat sitc 01	Dairy products sitc 02	Cereals sitc 04	Veg. and Fruits sitc 05	Sugar prep. sitc 06	Coffe,tea, Cocoa,spices sitc 07	Edible Products sitc 09	Beverage sitc 11
Market share value	percent	percent	percent	percent	percent	percent	percent	percent
European Union-15	48	98	81	56	92	65	85	88
South America	9	0	3	12	0.33	18	0.01	4
United States	0.01	0	5	9	1	0.60	6	2
Others	42.99	2	11	23	6.67	16.4	8.99	6
World	100	100	100	100	100	100	100	100

Source: UN Trade

SECTION IV: Best U.S. products prospects for the Norwegian processing industry.

- Wheat
- Fruit & Vegetable Juices
- Tree Nuts
- Almonds
- Wine
- Peanuts
- Inputs for snack foods to be either packaged or processed locally
- Seasonings, spices, dried onions and sauces
- Seafood products

Key contacts and further information.

Norwegian Food Safety Authority (Mattilsynet)
P.O.Box 383
N-2381 Brumunddal
Norway
Phone: (+47) 06040
E-mail: postmottak@mattilsynet.no

The Norwegian Food Safety Authority

- Prepares draft legislation
- Gives information on legislation
- Performs risk based inspections
- Monitors food additives and contaminants, pathogens, natural toxins, and nutrients in foodstuffs
- Inform about the developments in the food safety field

Is responsible for emergency planning concerning food safety, as well as plant, animal and fish health. The above state agency is responsible for product approval, labeling, additives, and administration of food safety regulations both for imported and domestic products. It is generally best to deal with this agency through a local importer or agent.

Statens Landbruksforvaltning (Norwegian Agricultural Authority)

Dep. Trade and Industry
P.O.Box 8140 Dep.
N-0033 Oslo
Norway
Phone: (47) 24 13 10 00
Fax : (47) 24 13 10 05

The Norwegian Agricultural Authority is a state-owned agency and it handles customs duties for industrially processed agricultural products, based on product ingredients reported by the importer. It also handles the administrative functions related to import/supply needs of the country, as well as the auction of quotas under the WTO agreement. A local Norwegian agent or importer would be the best means of contact, in dealing with this agency.

Federation of Norwegian Commercial Agents (Norske Agenters Landsforening)

Drammensveien 30
N-0230 Oslo
Norway
Phone: +47 22 44 68 33
Fax: +47 22 44 94 35

This association issues a monthly publication through which foreign firms can seek agents/distributors in Norway.

Statistic Norway

Kongens gate 6
N-0033 Oslo
Norway
Phone: +47 21 09 00 00

Fax: +47 21 09 00 20

Web: www.ssb.no

Provide information on general import statistics.

Norwegian Customs and Excise

P.O.Box 8122 Dep.

N-0032 Oslo

Phone: +47 22 86 03 00

Email: tad@toll.no

Web: www.toll.no

Provide information about import duty, fees and taxes.

For more information about exporting to Norway, please contact:

American Embassy Oslo

Foreign Agricultural Service

Asle Eek Johansen,

Agricultural Specialist

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Web: www.usemb.se

Or

American Embassy Stockholm

Foreign Agricultural Affairs

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SE-115 89 STOCKHOLM

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TABLE A: Norwegian Imports of various products

Norway Imports of Agriculture, Fish & Forestry Products
(In Millions of Dollars)

	Imports from the World			Imports from the U.S.			U.S Market Share		
	2000	2001	2002	2000	2001	2002	2000	2001	2002
BULK AGRICULTURAL TOTAL	248	238	257	14	17	18	6%	7%	7%
Wheat	25	34	43	1	3	4	6%	10%	8%
Coarse Grains	10	14	14	1	1	1	5%	2%	1%
Rice	10	11	11	1	1	1	10%	12%	10%
Soybeans	85	79	88	0	1	1	0%	0%	0%
Other Oilseeds	6	7	8	1	1	1	16%	11%	15%
Cotton	1	1	1	0	0	0	0%	0%	0%
Tobacco	19	20	25	6	7	8	31%	33%	32%
Rubber & Allied Gums	1	1	1	1	1	1	13%	7%	15%
Raw Coffee	70	50	46	0	1	0	0%	0.00%	0%
Cocoa Beans	1	1	0	0	0	0	0%	0%	0%
Tea (Incl. Herb Tea)	11	11	11	1	1	1	0.27%	0.35%	0.82%
Raw Beet & Cane Sugar	2	2	2	1	1	1	0.06%	0.51%	0.24%
Pulses	2	3	3	1	1	1	10%	10%	8%
Peanuts	4	4	5	3	4	4	84%	91%	87%
Other Bulk Commodities	2	1	1	1	1	1	23%	29%	2%
INTERMEDIATE AGRICULTURAL TOTAL	337	364	423	27	33	38	8%	9%	9%
Wheat Flour	1	1	1	0	0	0	0%	0%	0%
Soybean Meal	1	6	9	1	1	0	7%	1%	0%
Soybean Oil	2	1	1	1	0	1	0.05%	0%	0.22%
Vegetable Oils (Excl. Soybean Oil)	38	39	62	1	1	1	0.63%	0.46%	0.39%
Feeds & Fodders (Excl. Pet Foods)	62	58	80	21	27	33	33%	47%	41%
Live Animals	8	6	7	1	1	1	12%	9%	17%
Hides & Skins	13	15	12	1	0	1	0.66%	0%	0.10%
Animal Fats	3	2	3	0	0	1	0%	0%	0.03%
Planting Seeds	7	7	7	1	1	1	3%	2%	2%
Sugars, Sweeteners, & Beverage Bases	55	61	64	1	1	1	0.19%	0.16%	2%
Essential Oils	70	75	81	1	1	1	1%	0.86%	0.73%
Other Intermediate Products	77	95	97	4	4	2	5%	5%	2%
CONSUMER-ORIENTED AGRICULTURAL TOTAL	1,199	1,244	1,443	72	66	69	6%	5%	5%
Snack Foods (Excl. Nuts)	154	162	183	1	2	1	0.73%	1%	0.69%
Breakfast Cereals & Pancake Mix	25	27	32	2	2	2	8%	7%	7%
Red Meats, Fresh/Chilled/Frozen	23	30	33	0	0	0	0%	0%	0%
Red Meats, Prepared/Preserved	4	5	7	0	1	1	0%	0.54%	0.04%
Poultry Meat	1	1	1	0	0	0	0%	0%	0%
Dairy Products (Excl. Cheese)	10	9	10	1	1	1	0.02%	0.01%	0.17%
Cheese	19	20	26	0	1	0	0%	0.12%	0%

Eggs & Products	1	1	1	1	1	1	6%	5%	6%
Fresh Fruit	181	198	237	3	3	3	2%	1%	1%
Fresh Vegetables	97	109	126	1	1	1	0.78%	0.53%	0.85%
Processed Fruit & Vegetables	101	100	110	21	19	21	21%	19%	19%
Fruit & Vegetable Juices	42	37	42	12	13	13	27%	35%	32%
Tree Nuts	17	16	17	8	6	8	46%	40%	45%
Wine & Beer	130	132	145	4	4	3	3%	3%	2%
Nursery Products & Cut Flowers	90	90	100	1	1	1	0.51%	0.23%	0.18%
Pet Foods (Dog & Cat Food)	37	37	41	2	2	2	6%	5%	4%
Other Consumer-Oriented Products	266	270	329	17	15	15	7%	6%	5%
FOREST PRODUCTS (EXCL. PULP & PAPER)	761	759	807	17	14	8	2%	2%	1%
Logs & Chips	169	154	151	1	1	1	0.52%	0.47%	0.48%
Hardwood Lumber	46	44	38	13	11	6	28%	24%	16%
Softwood and Treated Lumber	191	178	190	1	1	1	0.21%	0.05%	0.01%
Panel Products (Incl. Plywood)	114	108	121	1	1	1	0.76%	0.45%	0.18%
Other Value-Added Wood Products	240	275	307	2	2	2	0.76%	0.76%	0.49%
FISH & SEAFOOD PRODUCTS	434	473	435	29	38	29	7%	8%	7%
Salmon	3	2	3	1	1	1	5%	11%	1%
Surimi	5	7	8	1	1	2	14%	16%	21%
Crustaceans	75	62	65	1	1	1	1%	0.61%	1%
Groundfish & Flatfish	211	212	178	26	36	25	12%	17%	14%
Molluscs	3	3	3	1	1	1	4%	5%	17%
Other Fishery Products	136	187	178	1	1	1	0.52%	0.53%	0.67%
AGRICULTURAL PRODUCTS TOTAL	1,784	1,846	2,123	113	117	126	6%	6%	6%
AGRICULTURAL, FISH & FORESTRY TOTAL	2,978	3,078	3,365	158	169	163	5%	5%	5%

Source: U.N. Trade data